

AMENDMENT TO ATHLETIC DIRECTOR EMPLOYMENT AGREEMENT

This Amendment ("Amendment") to the Athletic Director Employment Agreement ("Agreement") entered into effective June 1, 2016, between The University of Washington (the "University") and Jennifer Cohen ("Athletic Director") (collectively, the "Parties") is made this 1st day of August, 2018.

The purpose of this Amendment is to extend the Term of the Agreement, update the compensation section of the Agreement, and modify other language within the Agreement as detailed below. Unless otherwise indicated, capitalized terms used herein have the same meanings as provided in the Agreement.

The Parties agree to amend the Agreement as follows:

1. Section 3 of the Agreement is hereby amended and restated to read as follows:

The term of this Agreement shall begin on June 1, 2016, and shall terminate on June 30, 2024 (the "Term"), with an option to extend the termination date to May 31, 2026, after a review on or after the end of the fifth contract year of this Agreement at the President's discretion, subject to the provisions below for termination. To extend or renew the Term of this Agreement, both Parties must sign a written agreement to do so. Athletic Director agrees that oral agreements to renew or extend this Agreement are invalid and nonbinding. This Agreement in no way grants Athletic Director a claim to tenure in employment, nor shall Athletic Director's service pursuant to this Agreement count in any way toward tenure at the University.

2. Section 6.A(1) of the Agreement is hereby amended and restated to read as follows:

Effective on July 1, 2018, the annual base salary for duties performed by Athletic Director under this Agreement shall be \$750,000 gross ("Base Salary"), payable in twelve (12) monthly installments, in accordance with established University and State of Washington payroll procedures. At the conclusion of each contract year, Athletic Director will be eligible for a merit based increase to her Base Salary of no less than 2%. Such increase shall be at the sole discretion of the President.

3. Section 6.C of the Agreement is hereby amended and restated to read as follows:

Retention Compensation. The Parties acknowledge that developing and maintaining an elite intercollegiate athletics program that is equivalent, if not superior to, other similarly situated institutions of higher education requires a long-term commitment from both the University and the Athletic Director. As an incentive to the Athletic Director to remain an employee of the University for the full term of this Agreement, the Parties hereby agree that, in addition to Base Salary and all other forms of compensation provided for by this Agreement, the Athletic Director will receive the following retention compensation in accordance with the distributions and conditions

set forth below:

May 31, 2017	\$60,000
May 31, 2018	\$60,000
May 31, 2019	\$75,000
May 31, 2020	\$75,000
May 31, 2021	\$75,000
May 31, 2022	\$75,000
May 31, 2023	\$75,000
May 31, 2024	\$75,000

The University will establish on its books retention compensation accounts (the "Accounts") for the purpose of measuring its obligation to pay Athletic Director retention compensation as described below. All amounts credited to the Accounts shall remain at all times assets of the University unless paid out in accordance with this clause. The Accounts shall be invested in the University's Investment Fund ("IF") and shall not be invested in or made a part of the University's Consolidated Endowment Fund.

- (1) The University has credited to a retention compensation account on Athletic Director's behalf an aggregate amount of \$120,000 (\$60,000 on May 31, 2017, and May 31, 2018, respectively) which amount is scheduled to vest on May 31, 2021 (the "2017 Account"). The University will credit \$75,000 to the 2017 Account each subsequent May 31st through May 31, 2021, provided Athletic Director continues to be the University's Athletic Director on such dates. On June 1, 2021, University will establish an additional retention compensation account (the "2021 Account" collectively, along with the 2017 Account, the "Accounts"). The University will credit \$75,000 to the 2021 Account each subsequent May 31st through May 31, 2024, provided Athletic Director continues to be the University's Athletic Director on such dates
- (2) As of the last day of each calendar quarter, and as of such other times, if any, as the University determines in its sole discretion, the University will adjust the Accounts to reflect the equivalent percentage of income, gains, and unrealized appreciation of the IF, if any, since the preceding adjustment date. The Accounts will continue to be adjusted under this clause (2) until all amounts due under Section 6.C.(1) have been paid to Athletic Director or her beneficiary(ies) or have been forfeited as specified in subsection (4) below. Upon full payment or forfeiture of benefits, the balance of the Accounts shall be reduced to \$0 and no further amounts will be due under this Section 6.C.
- (3) In the event Athletic Director remains the Athletic Director, except as otherwise provided herein, Athletic Director will vest fully in the then-current balance of the Accounts (which will reflect any applicable credits under Section 6.C.(1) and adjustments under Section 6.C.(2)) as of the close of business on the following dates: (i) May 31, 2021 for the 2017 Account; and (ii) May 31, 2024 for the 2021 Account (collectively, the "Vesting Dates"). Vested amounts, less any deductions

required by law, will be payable to Athletic Director in a single, lump sum payment by the University within ninety (90) days following the applicable Vesting Dates.

- (4) If Athletic Director does not remain employed as Athletic Director continuously through the Vesting Dates as provided by the terms of this Agreement, the balance of the Accounts will be forfeited, unless employment ended because of Athletic Director's death or unless the termination is without cause, then Athletic Director shall receive the retention compensation set aside before the date of termination in accordance with Section 7.B of this Agreement.
- (5) In the event that Athletic Director dies while amounts remain credited to the Accounts, the balance of the Accounts will be paid within sixty (60) days following death, in a single lump sum to the beneficiary or beneficiaries last designated by Athletic Director in writing to the President. If no such beneficiary has been designated, or if no designated beneficiary survives Athletic Director, the Accounts will be paid to Athletic Director's spouse or, if none, her estate.

Athletic Director's rights under this Section 6.C will be solely those of an unsecured general creditor of the University. The Accounts and right to any payments under this Section 6.C will not be alienable by assignment or any other method and may not be taken by Athletic Director's creditors by any process whatsoever, except to the extent required by law.

4. Section 7.B of the Agreement is hereby amended and restated to read as follows:

Termination by the University Without Cause. The University shall have the right to terminate Athletic Director's employment and this Agreement without any reason and without cause prior to the termination date stated in Section 3 above. In the event this Agreement is terminated without cause, (1) all obligations of the University to Athletic Director pursuant to this Agreement shall cease as of the date of any such termination, (2) Athletic Director shall be eligible for any post-termination benefits applicable to regular employees of the University (i.e. COBRA insurance eligibility, et al), and (3) the University will pay to Athletic Director, in lieu of any and all other legal remedies or equitable relief available to Athletic Director, liquidated damages equal to the Base Salary for the remainder of the term of this Agreement.

Athletic Director acknowledges her obligation to minimize the liquidated damages due to her under Section 7.B and agrees to make every reasonable effort to obtain other employment as long as the University has the obligation to make payments under Section 7.B. If the Athletic Director obtains new employment, the University's financial obligations under Section 7.B shall be reduced by the base salary received by Athletic Director in her new position, whether in cash, or deferred payments. If Athletic Director's base salary in her new position exceeds that which Athletic Director would have been paid at the University, the University's financial obligations shall immediately cease. Athletic Director shall immediately, upon acceptance of other employment, notify

the President in writing of such employment and the base salary to be paid to Athletic Director for the employment. In addition, Athletic Director agrees to provide the University with a copy of her W-2 form for each calendar year as long as the University has the obligation to make payments under Section 7.B.

If the University ends this Agreement without cause prior to the termination date stated in Section 3, in accordance with the provisions of Section 7.B hereof, the University in no case shall be liable for Athletic Director's loss of any collateral business opportunities or any other benefits, perquisites or income resulting from activities such as, but not limited to, media appearance, personal appearance, radio, television, internet, marketing and promotional services, apparel or shoe agreements, equipment agreements, consulting relationships or from any other sources that may result from the University's termination of this Agreement without cause.

5. Section 7.C of the Agreement is hereby amended and restated to read as follows:

Termination of Employment by Athletic Director. The Parties agree that Athletic Director has special, exceptional, and unique knowledge, skill, and ability which, in addition to the continuing acquisition of experience at the University, as well as the University's special need for continuity in its athletic program, render Athletic Director's services unique. Athletic Director further recognizes that her promise to work for the University for the entire term of this Agreement is an essential consideration in the University's decision to employ her as Athletic Director. Athletic Director also recognizes that the University is making a highly valuable investment in her continued employment by entering into this Agreement and its investment would be lost or diminished were she to resign or otherwise terminate her employment as Athletic Director with the University prior to the expiration of this Agreement and obtain the same or similar position at another university. Accordingly, Athletic Director agrees that he/she shall not to seek or apply for other positions without prior notice to the President.

In the event Athletic Director resigns or otherwise terminates her employment under this Agreement prior to the expiration of the term of this Agreement and accepts the same or similar position at another intercollegiate athletic program, she shall pay or cause to be paid to the University, in lieu of any and all other legal remedies or equitable relief available to the University as a result of such a resignation or termination by Athletic Director, as liquidated damages, and not as a penalty, a fixed sum according to the following schedule:

<u>Termination Date</u>	<u>Amount Owed</u>
Prior to May 31, 2020	\$1,500,000
June 1, 2020 – May 31, 2021	\$1,000,000
June 1, 2021 – May 31, 2022	\$500,000
June 1, 2022 – May 31, 2023	\$300,000
After May 31, 2023	\$0

Payment of said liquidated damages may be in a single lump sum amount with payment to be made within 60 days of the effective date of Athletic Director's resignation or termination pursuant to this Section 7.C (the "Resignation Date") or in the alternative may be made in yearly installments over a period of years equal to the number years remaining on the term of this Agreement if it had not been terminated. If Athletic Director terminates her employment under this Agreement prior to its expiration, in accordance with this Section 7.C, her compensation and benefits, to the extent not already vested, shall cease upon the Resignation Date.

6. Unless specifically modified by this Amendment, all of the terms set forth in the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment to be effective as of the date first written above.

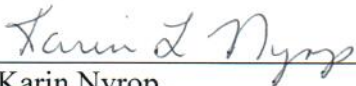
UNIVERSITY OF WASHINGTON

By: 
Ana Mari Cauce
President

ATHLETIC DIRECTOR

By: 
Jennifer Cohen
Athletic Director

Approved as to Form:


Karin Nyrop
Assistant Attorney general, Division Chief